

### **99B.24 Raffles.**

1. *General provisions.* A licensed qualified organization may conduct a raffle as permitted by the applicable license and in accordance with the following requirements:

- a. The winner of a raffle shall not be required to be present to win.
- b. If the winner is not present to win, notification to the winner shall be made as soon as practical.
- c. A cash or merchandise prize may be awarded in a raffle. If a merchandise prize is awarded, the actual retail value of the prize, or if the prize consists of more than one item, unit, or part, the aggregate retail value of all items, units, or parts, shall not exceed the maximum value allowed for that raffle.
- d. Calendar raffles and build-up or pyramid raffles are prohibited.
- e. If a raffle is conducted at a fair, the licensed qualified organization shall receive written permission from the sponsor of the fair to conduct the raffle.
- f. A licensed qualified organization shall, regardless of the number of licenses issued, only conduct one large raffle per calendar year. However, a licensed qualified organization issued a one-year qualified organization raffle license may conduct up to eight large raffles with each large raffle conducted in a different county during the one-year period.

2. *Very large raffles.* A licensed qualified organization may conduct one very large raffle per calendar year subject to the provisions of [this subsection](#).

- a. The licensed qualified organization shall submit a very large raffle license application and a fee of one hundred dollars to the department and be issued a license.
  - b. The licensed qualified organization shall prominently display the license at the drawing area of the raffle.
  - c. If the raffle prize is real property, the real property shall be acquired by gift or donation or shall have been owned by the licensed qualified organization for a period of at least five years.
  - d. The department shall conduct a special audit of a very large raffle to verify compliance with the applicable requirements of [this chapter](#) concerning raffles and very large raffles.
  - e. The licensed qualified organization shall submit to the department within sixty days of the very large raffle drawing a cumulative report for the raffle on a form determined by the department and one percent of the gross receipts from the very large raffle. The one percent of the gross receipts shall be retained by the department to pay for the cost of the special audit.
3. *Very small raffles.* A qualified organization may conduct one very small raffle per calendar year without obtaining a qualified organization license. A qualified organization conducting a very small raffle as authorized by [this subsection](#) shall comply with the requirements for conducting a raffle by a licensed qualified organization, including payment of applicable sales tax. However, a qualified organization holding only one very small raffle per calendar year shall be exempt from the reporting requirements in [section 99B.16](#).

[2015 Acts, ch 99, §37](#)

Referred to in [§99B.12](#), [§99B.15](#), [§99B.25](#), [§423.3](#)

NEW section